

## **Opposition to LD 1893 - An Act to Allow a Municipality to Impose a Fee on Short-Term Rentals**

Senator Grohoski

Representative Perry

Members of the Joint Standing Committee on Taxation

My name is Allison Bayley and I own and operate Bayley Vacation Rentals in Old Orchard Beach, Maine. For more than a century, my family has proudly offered services to travelers in Scarborough, Maine, establishing deep roots in the community and contributing to the experience of those visiting the beautiful state of Maine.

I am writing to express my strong opposition to LD 1893, "An Act to Allow a Municipality to Impose a Fee on Short-Term Rentals," as the owner and operator of Bayley Vacation Rentals. I believe that this proposed legislation poses significant risks to our town and the thriving tourism industry in Maine.

One of the primary concerns I have with this bill is its potential to drive businesses away from our town, redirecting them to more favorable locations. This could have a detrimental impact on the local economy, leading to job losses and decreased revenue for both small businesses and the municipality itself.

Furthermore, the bill's provision that allows municipalities to impose fees on short-term rentals creates a competitive environment among towns to set tax rates. This competition may inadvertently pin towns against each other, fostering a race to the bottom or top in terms of tax rates. This scenario could result in an unhealthy rivalry and compromise the collective effort to maintain fair and sustainable tax policies.

The tourism industry in Maine has long been a cornerstone of our economy, attracting visitors who contribute significantly to the success of local businesses. Imposing additional fees on short-term rentals has the potential to deter tourists, negatively affecting the overall tourism experience. This, in turn, would impact not only property owners and managers but also the hardworking Maine residents who rely on the summer season to make ends meet.

It's important to recognize that most homeowners engaging in short-term rentals are not doing so to amass considerable profits. Instead, they are simply seeking to offset the high costs associated with homeownership in Maine and provide for their families. Placing burdensome fees would hinder their ability to maintain their properties and contribute to the local community.

I urge you to carefully consider the existing tax rates and what is fair for our residents, property owners, property managers, and the cherished travelers who have always supported us. Maine has been a beloved travel destination, and we should strive to maintain that reputation rather than turning away those who have consistently contributed to our community's success.

Thank you for your attention to this matter, and I sincerely hope you will reconsider the potential ramifications LD 1893 could have on the broader tourism industry in Maine.

I would be happy to answer any questions or respond to any comments you may have.

Sincerely,

Allison Bayley

Owner and Operator, Bayley Vacation Rentals